BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 705 Order No. R-484

IN THE MATTER OF THE APPLICATION OF KEWANEE OIL COMPANY FOR ORDER GRANTING PERMISSION TO DRILL THREE (3) UNORTHODOX RED SAND LOCATIONS: ONE BEING BAISH WELL NO. 37-B, IN THE SE/4 OF SECTION 27; ONE BEING PEARSALL WELL NO. 14-A, IN THE NE/4 OF SECTION 33; AND ONE BEING PEARSALL WELL NO. 6-BX, IN THE NE/4 OF SECTION 34, ALL IN TOWN-SHIP 17 SOUTH, RANGE 32 EAST, NMPM, IN THE PEARSALL POOL OF LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on regularly for hearing at 10 o'clock a.m. on May 19, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this <u>17</u> day of June, 1954, the Commission having before it for consideration the testimony adduced at the hearing of said cause and being fully advised in the premises,

FINDS:

l. That due public notice having been given in compliance with law, the Commission has jurisdiction hereof.

2. That the proposed unorthodox wells are located upon Federal acreage.

3. That the "red sand" formation, to drill to which, authority is sought, lies above the regular Maljamar pay formation, from which regularly spaced wells in the immediate vicinity are now producing.

4. That the Commission has no objection to the drilling of said three unorthodox wells to the "red sand" at the proposed locations, subject to the issuance of proper Federal location notice.

5. That the Commission has no objection to the manner in which Kewanee Oil Company proposes to drill and complete said three unorthodox wells, that is, by drilling said wells through the Maljamar pay to the total depth; casing off the regular Maljamar pay; setting a bridging plug at the base of the "red sand" zone, perforating the "red sand" zone and sand-oil treating the "red sand" zone before placing said wells on production. -2-Order No. R-484

IT IS THEREFORE ORDERED:

1. That the application of Kewanee Oil Company for an order authorizing the drilling of the following three unorthodox "red sand" wells:

- (a) Baish Well No. 37-B in NW/4 SE/4 of Section 27, Township 17 South, Range 32 East, NMPM, to be located 1345 feet north of south line and 1345 feet west of east line of said Section 27;
- (b) Pearsall No. 14-A in SW/4 NE/4 of Section 33, Township 17 South, Range 32 East, NMPM, to be located 1345 feet south of north line and 2615 feet west of east line of said Section 33;
- (c) Pearsall No. 6-BX in SE/4 NE/4 Section 34, Township 17 South, Range 32 East, NMPM, to be located 1345 feet south of north line and 1295 feet west of east line of said Section 34;

is hereby approved, and production being had, each such well be and the same is hereby given an allowable separate from the well located on the same 40acre legal subdivision producing from the Maljamar pay.

IT IS FURTHER ORDERED: That Applicant shall file with the Commission a copy of federal location notices for the hereinabove described locations after approval thereof by the Oil and Gas Supervisor.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

Mechem, Chairman

R. R. SPURRIER, Secretary and Member

SEAL